



Steve Levitt

Political Economy Speaker Series

Steve Levitt
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"The Causes and Consequences of Distinctly Black Names"

Friday, May 14, 2004
1:45 p.m. *
Schoenbaum Hall
Room 320

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Department of Economics and
the Criminal Justice Research Center*

In the 1960's, Blacks and Whites chose relatively similar first names for their children. Over a short period of time in the early 1970's, that pattern changed dramatically with most Blacks (particularly those living in racially isolated neighborhoods) adopting increasingly distinctive names, but a subset of Blacks actually moving toward more assimilating names. The patterns in the data appear most consistent with a model in which the rise of the Black Power movement influenced how Blacks perceived their identities. Among Blacks born in the last two decades, names provide a strong signal of socio-economic status, which was not previously the case. We find, however, no negative causal impact of having a distinctively Black name on life outcomes. Although that result is seemingly in conflict with previous audit studies involving resumes, we argue that the two sets of findings can be reconciled.

Steven D. Levitt is professor of economics at the University of Chicago. Levitt graduated with a Ph.D. in Economics from MIT in 1994 and then joined the faculty at University of Chicago. He was a Junior Fellow at the Harvard Society of Fellows.

Steven Levitt is a first-rate empirical researcher whose interests span many social sciences - economics, politics, sociology, and law. His innovative empirical investigations have examined the causes of crime, and the potency of methods of deterrence. His novel identification strategies have made possible a better understanding of fundamental and longstanding puzzles.

In work on crime and deterrence, Levitt's research shows that policies that increase incarceration have a greater impact on crime rates than was previously thought. His QJE (1996) paper demonstrates this enhancement by using prison-overcrowding litigation to break the endogenous correlation of crime rates and incarceration rates. This identification exploits the notion that overcrowding litigation is likely to affect crime rates only through its impact on the prison population. The JPE (1998) paper explains the recent trend toward youth rather than adult crime as a response to differential incentives. In their JEL (1999) paper, Kessler and Levitt use the introduction of sentence increases in California to produce evidence in favor of "deterrence" theories of incarceration in contrast to "incapacitation" theories. Levitt (AER, 1997) shows that increases in the police force reduce the number of violent crimes much more substantially than the number of property crimes.

This body of papers uses four distinct and novel identification strategies, each with thoughtful consideration of strengths and weaknesses, to examine the same important issue. In his QJE paper (1998, with Ian Ayres), Levitt studies the benefits to reducing car theft from installing a hidden radio transmitter device called a Lojack. He finds that the private benefit to those who install a Lojack is dwarfed by the social benefit of general deterrence.

Levitt's research on street gangs (QJE 2000, with Vekatesh) debunks the popular view that most youth crimes are the work of a few super-predators, who are largely unresponsive to incentives. It also elucidates why gang members work for low wages and what role is played by gang patriotism. Donohue and Levitt (QJE 2001) find that legalized abortion has the indirect effect of reducing crime by reducing the size of the "unwanted," and thus less cared for, children. Duggan and Levitt (AER 2002) document how corruption alters the outcome of Sumo wrestling. In his JPE (1994) paper, Levitt finds that a challenger's spending in an election has much less of an impact than suggested by previous research. He argues that the rewards to spending are quite similar between incumbents and challengers. Levitt (AER,

1996) used the preferences revealed from role-call voting to show that the senator's own ideology is the primary determinant of his/her voting patterns. Voter and party preferences are secondary.

Levitt has interesting work on other topics as well, including drunk driving, and testing game-theoretic models of soccer, and corruption in sumo wrestling.